

Drinking Water Advisory Group

December 11, 2013

DWSRF—How to keep the revolving fund revolving

Program History

Since 1997, the Drinking Water State Revolving Fund (DWSRF) program has provided:

- 437 infrastructure projects
- \$503 million in contracts
- \$358 million in loan draws
- \$91 million in loan repayments
- \$24 million in loan interest

Program Improvements

Health has been working to improve DWSRF processes:

- Leveraged revolving funds for three loan cycles.
- Execute contracts sooner (Lean).
- Initiate 106 process sooner.
- Improve communication with water systems.
- More contact between regions and water systems.
- Update website and streamline documents.
- Two rounds this year—spring and fall.
- Switching to a fall DWSRF cycle.
- Current DWSRF round has \$83 million available (added \$12 million).
- Request to focus on Public Works Assistance Account applicants—end of September.
- Up to \$226 million of project funding requests.
- Not all projects will qualify.



The central fund is replenished when individual projects pay back their loan.

Infrastructure Financing Challenges

- EPA requesting Washington State to address “unliquidated obligations.”
- 2013 Legislature changed authority of Public Works Board, directing the Board to “maximize local government use of federal funds first for drinking water projects.”

How can we keep the DWSRF revolving (and do a better job in meeting our mission)?

- Readiness to proceed will factor in decisions in the future.
- Quicker process to get contracts signed (a month or two from offer).
- Begin construction within 18 months.
- Projects completed within 48 months.
- Should we use incentives? Penalties?
- Avoid the “line of credit scenario.”

What is our message to EPA and for the 2014 legislative session?

Your Feedback